



## CITY OF MARSHALL AGENDA ITEM REPORT

<b>Meeting Date:</b>	Tuesday, September 13, 2022
<b>Category:</b>	NEW BUSINESS
<b>Type:</b>	INFO/ACTION
<b>Subject:</b>	Approval of Joint Resolution for Orderly Annexation of Fairview Township Property
<b>Background Information:</b>	<p>The City of Marshall has previously received a petition for annexation of 80.52 acres of property currently located in Fairview Township. The property is located within the 1982 Orderly Annexation Agreement as previously signed by the City of Marshall and Fairview Township. On July 26, 2022, the City of Marshall has previously approved a joint resolution for orderly annexation of the petitioned property. Property is owned by Western Minnesota Municipal Power Agency.</p> <p>The City approved resolution was then forwarded to Fairview Township for approval. On August 1, 2022, City Attorney's office was notified that the Fairview Township Board objected to the joint resolution and indicated that Fairview Township would not sign the joint resolution as previously presented.</p> <p>City Attorney has had several discussions with the Municipal Boundary Adjustments Office in St. Paul, Minnesota. The Boundary Adjustments Office has advised the City to prepare a resolution asking that a hearing be held to address the annexation request. The hearing would involve the City of Marshall and Fairview Township. A resolution to that effect was prepared and was initially submitted for action by City Council to be addressed at the September 13<sup>th</sup> council meeting.</p> <p>Prior to that hearing, however, I did receive phone call from Fairview Township Attorney. Fairview Township has agreed to sign a joint resolution, if additional compensation was paid for lost tax revenue related to the property subject to annexation. Minnesota Statutes do allow for reimbursement of lost tax revenue for a period not to exceed 8 years. The previously approved joint resolution offered 2 years-worth of tax reimbursement. Township taxes related to the property in question currently total \$275.25 per year. Township has asked and City Attorney's office is recommending that the City agree to pay full 8 years-worth of lost tax revenue at a rate of \$275.25 per year. With that change, Fairview Township has indicated that they would sign a joint resolution for submittal to the Municipal Boundary Adjustments Office for approval of the annexation.</p>
<b>Fiscal Impact:</b>	City would reimburse Fairview Township a total of \$2,202.00 over an 8-year period of time. Annexation of the property would generate local City taxes at a rate higher than the amount being reimbursed to Fairview Township.
<b>Alternative/Variations:</b>	N/A
<b>Recommendations:</b>	That the City Council approve the proposed joint resolution for orderly annexation of 80.52 into the City of Marshall. Upon City Council approval, Fairview Township will call for a special meeting to recommend approval of the Joint Resolution.